

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM #1 California Work Opportunity and Responsibility to Kids (CalWORKs) Program:
Pregnant Women Only

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held on May 12, 2016, at the following address:

Office Building # 8
744 P St. Room 103
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on May 12, 2016.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below:

CONTACT: Office of Regulations Development
California Department of Social Services
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CHAPTERS

CDSS Manual of Policies and Procedures (MPP), Eligibility and Assistance Standards Manual, Division 44 (Standards of Assistance), Chapter 44-200 (AU Composition and Need), Section 44-211 (Special Needs in CalWORKs).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These proposed regulations amend specific provisions in CDSS MPP that regulate eligibility for pregnant teens and special needs in the CalWORKs program.

Prior law allowed a pregnant woman with no other eligible child in the home to be eligible for CalWORKs cash aid and \$47 in pregnancy special needs (PSN) payments beginning in the third trimester of her pregnancy. The exception to this rule was when the pregnant woman was also eligible for the Cal-Learn program. The Cal-Learn is a statewide program for pregnant and parenting teens in the CalWORKs program designed to encourage pregnant and parenting teens to graduate from high school or its equivalent, become independent, and form healthy families. A pregnant woman who was eligible for Cal-Learn was also eligible for cash aid and PSN at any time after providing medical verification of her pregnancy and not limited to the last trimester of her pregnancy. A pregnant teen who was age 18 or younger and who had graduated from high school or obtained a high school diploma or its equivalent, would not be eligible for CalWORKs or PSN payments until her third trimester.

Assembly Bill 1640 (Chapter 778, Statutes of 2012) expanded eligibility to pregnant teens age 18 or younger, with no other eligible children in the home, to be eligible for CalWORKs cash aid and \$47 in PSN payments upon verification of pregnancy.

Assembly Bill 1579 (Chapter 632, Statutes of 2014) changed eligibility to pregnant women age 19 or older, with no other eligible children in the home, to be eligible for CalWORKs cash aid and \$47 in PSN payments beginning in the second trimester of pregnancy.

This regulatory action will benefit CalWORKs families who have a pregnant teen age 18 or younger, with no other eligible children in the home, to receive CalWORKs cash aid and \$47 PSN payment, upon verification of pregnancy. It will also allow a pregnant woman age 19 or older, with no other eligible children in the home, may be eligible for CalWORKs cash aid and \$47 in PSN payments beginning in the second trimester of pregnancy.

The Department considered other possible related regulations in this area, and we find that these are the only regulations dealing in this subject area and therefore, the Department finds that these proposed regulations are compatible and consistent with the intent of the Legislature in adopting AB 1640 and AB 1579, as well as with existing state regulations.

COST ESTIMATE

1. Costs or Savings to State Agencies: After implementation in January 2014, the impact of AB 1640 is now included in the CalWORKs caseload trend and does not require further adjustments to the budget. The funding for AB 1579 was budgeted at approximately \$296,000 in the 2016-17 Governor's Budget and embedded in the CalWORKs Grants, Services and Administration premises.

2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 - 17630: None
3. Nondiscretionary Costs or Savings to Local Agencies: After implementation in January 2014, the impact of AB 1640 is now included in the CalWORKs caseload trend and does not require further adjustments to the budget. The funding for AB 1579 was budgeted at approximately \$66,000 in the 2016-17 Governor's Budget and is embedded in the CalWORKs Grants, Services and Administration premises.
4. Federal Funding to State Agencies: After implementation in January 2014, the impact of AB 1640 is now included in the CalWORKs caseload trend and does not require further adjustments to the budget. The funding for AB 1579 was budgeted at approximately \$5 million in the 2016-17 Governor's Budget and embedded in the CalWORKs Grants, Services and Administration premises.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are no "state-mandated local costs" in these regulations which require state reimbursement under Section 17500 et seq. of the Government Code because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the Government Code.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on changes to State law that expanded eligibility requirements for pregnant teens age 18 and younger, with no other eligible children in the home and has graduated from high school or its equivalent, to be eligible for CalWORKs cash aid and \$47 in PSN payments upon verification of pregnancy. State law also expanded to include a pregnant woman age 19 or older, with no other eligible children in the home, may be eligible for CalWORKs cash aid and \$47 in PSN payments beginning in the second trimester of pregnancy.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

The CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The implementation of this regulatory action will benefit CalWORKs clients who are pregnant teens age 18 or younger, with no other eligible children in the home and CalWORKs clients who are pregnant women age 19 or older, with no other eligible children in the

home. Implementation of this regulatory action will not result in any benefit to state's worker safety or the state's environment.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

In developing the regulatory action, CDSS did not consider any other alternatives as there were no other alternatives proposed.

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

The CDSS adopts these regulations under the authority granted in Sections 10553 and 10554, Welfare and Institutions Code. Subject regulations implement and make specific Section 11450(b)(1) and (b)(2), Welfare and Institutions Code.

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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